

# HOUSE BILL REPORT

## SSB 6044

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### As Passed House - Amended:

February 29, 2012

**Title:** An act relating to the supply of water by public utility districts bordered by the Columbia river to be used in pumped storage projects.

**Brief Description:** Concerning the supply of water by public utility districts bordered by the Columbia river to be used in pumped storage projects.

**Sponsors:** Senate Committee on Energy, Natural Resources & Marine Waters (originally sponsored by Senator Honeyford).

### Brief History:

#### Committee Activity:

Agriculture & Natural Resources: 2/8/12, 2/21/12 [DP].

#### Floor Activity:

Passed House - Amended: 2/29/12, 98-0.

### Brief Summary of Substitute Bill (As Amended by House)

- Allows any public utility district (PUD) bordered by the Columbia River to supply water from a pumped storage generating facility controlled by the PUD to any other entity that sells water to the public.

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## HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

**Majority Report:** Do pass. Signed by 13 members: Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Dunshee, Finn, Hinkle, Kretz, Lytton, Orcutt, Pettigrew and Van De Wege.

**Staff:** Jason Callahan (786-7117).

### Background:

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

A public utility district (PUD) is a type of special purpose district authorized for the purpose of generating and distributing electricity, providing water and sewer services, and providing wholesale telecommunications services. A PUD may operate on a countywide basis or may encompass a smaller jurisdiction. However, most PUDs have jurisdictional boundaries that are coextensive with a county and function as a regional governing body with respect to providing their statutorily authorized services to the public. There are currently 28 operating PUDs in this state, many of which provide a mix of services: 23 provide electrical services; 19 provide water and/or wastewater services; and 13 provide wholesale broadband telecommunications services. Public utility districts are governed by a board of either three or five elected commissioners.

A pumped-storage hydroelectric power plant is a plant which generates electric energy to meet peak load by using water pumped into a storage reservoir during off-peak periods. The method stores energy in the form of water, pumped from a lower elevation reservoir to a higher elevation, and released through the turbines during periods of high electrical demand.

**Summary of Bill:**

Any public utility district (PUD) bordered by the Columbia River may supply water from a pumped-storage generating facility controlled by the PUD to any other entity that sells water to the public if it has already obtained a water right from an industrial user and is authorized to use that water right for power generation. The receiving entity's provision of water to the public may be direct or indirect.

The contracts to implement the sale must cover the entire time the sales will be allowed and be conditioned as seen necessary by the providing PUD. All contracts must be consistent with a resolution passed by the commissioners serving the PUD that was introduced in a public meeting at least 10 days prior to the adoption of the resolution.

A PUD must ensure that adequate provisions have been made for the needs of the PUD prior to selling water from a pumped storage generating facility

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) Arcane laws from the 1930s create uncertainty as to whether a public utility district (PUD) can use water in a pumped storage generation facility to smooth out the energy generation inconsistencies inherent in wind power. Clarification of what a PUD can do in regards to pumped-storage facilities will assist power generation in the Columbia River Gorge area.

(Opposed) None.

**Persons Testifying:** Senator Honeyford, prime sponsor; and Bill Clarke, Washington Public Utility District Association.

**Persons Signed In To Testify But Not Testifying:** None.